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|--|--|--------------------------------------|--|--|---------------|
| <b>AMENDMENT OF SOLICITATION / MODIFICATION OF CONTRACT</b>  |  | 1. CONTRACT ID CODE                  |  | PAGE<br>1  | OF PAGES<br>1 |
| 2. AMENDMENT/MODIFICATION NO.<br>02  |  | 3. EFFECTIVE DATE<br>January 4, 2002 |  | 4. REQUISITION/PURCHASE REQ. NO.<br>114-02-001   |               |
| 5. PROJECT NO.<br>(If applicable)  |  | 6. ISSUED BY<br>CODE                 |  | 7. ADMINISTERED BY<br>CODE   |               |
| Regional Contracting Office<br>USAID/Caucasus/Tbilisi<br>20 Telavi Street<br>Tbilisi, Georgia 380003       |  | (If other than Item 6)               |  |  |               |
| 8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP code)<br><br>To all Offerors/Bidders |  |                                      |  | <input type="checkbox"/> 9A. AMENDMENT OF SOLICITATION NO.<br>114-02-008<br><input type="checkbox"/> 9B. DATED (SEE ITEM 11)<br>December 21, 2001<br><input type="checkbox"/> 10A. MODIFICATION OF CONTRACT/ORDER NO.<br><input type="checkbox"/> 10B. DATED (SEE ITEM 13) |               |
| CODE   |  | FACILITY CODE                        |  |  |               |

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended ☒ is not extended. Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning   X   copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS  
IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

|                          |   |
|--------------------------|---|
| <input type="checkbox"/> | A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify Authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.  |
| <input type="checkbox"/> | B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY |
| <input type="checkbox"/> | C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:  |
| <input type="checkbox"/> | D. OTHER (Specify type of modification and authority)   |

E. IMPORTANT: Contractor ☐ is not, ☐ is required to sign this document and return \_\_\_\_\_ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible)

The purpose of this modification to the solicitation document is to provide responses to questions and requests for clarification and to add the list of organizations interested in the solicitation. The specific modifications are as follows:

1. Insert the attached List of Organizations Requesting Document as an Attachment 8 to the Section J of the RFP.
2. The responses to questions and requests for clarification are provided as an attachment to this document.

---End of Modification 01---

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

|   |                  |   |                                  |
|---|------------------|---|----------------------------------|
| 15A. NAME AND TITLE OF SIGNER (Type or print)                           |                  | 16A NAME AND TITLE OF CONTRACTING OFFICER (Type or print)<br>Carlton M. Bennett<br>Regional Contracting Officer |                                  |
| 15B. CONTRACTOR/OFFEROR<br><br>(Signature of person authorized to sign) | 15C. DATE SIGNED | 16B. UNITED STATES OF AMERICA<br><br>By: _____<br>(Signature of person authorized to sign)                      | 16C. DATE SIGNED<br><br>01-04-02 |

## **RESPONSES TO INQUIRIES AND REQUESTS FOR CLARIFICATION**

Question 1: Could the Mission provide us with a description of the types and rates for social charges for Georgian local hires?

Answer: According to the Georgian Tax Code, Georgian employees must pay the following payroll taxes: Income tax (normally up to 20%), the employee social tax (1%), health fund tax (1%) and employment fund tax (1%). Employees of any organization who are not nationals or ordinarily resident in Georgia do not have to pay these taxes. The Local Compensation Plan of U.S. Embassy in Georgia incorporates these taxes into the annual salary rates of Georgian employees. Therefore, offerors are encouraged to include the employee taxes within an employee's salary and not to seek reimbursement of these taxes as a separate line item.

In addition to the employee taxes mentioned above, the Georgian Tax Code requires employers to pay the following employer taxes: The employer social tax (normally 27%), health fund tax (3%) and employment fund tax (1%). According to the Bilateral Agreement of 1992 between the Governments of the U.S. and Georgia the U.S. organizations implementing USAID assistance programs in Georgia are exempt from paying these employer taxes. Georgian organizations are not exempt from paying such taxes.

Q 2: Is there flexibility to reorder the sections in the evaluation criteria in Section M.2 for the purposes of structuring the proposal?

A. Respondents are at liberty to structure proposals, as they deem most appropriate. However, all responses will be evaluated in accordance with the criteria presented. Should respondents choose to order a response differently, it would be wise to key such sections to the criteria. Priorities and point distribution will remain as is.

Q 3: Is the office space in the Ministry intended to be the main office? How does USAID envision this project using the space and making it functional? What exactly will be provided - just space, or furniture and equipment too?

A. Ministry space offered is not intended to be the main project office. It may be used as a coordination office only such use would be minimal. Nothing but space will be provided. It is not anticipated that any major activities will be coordinated through this office. As a result, offerors should budget for office space in their cost proposals.

Q 4: Please confirm that the schedule of deliverables in Section C.V is based on working days and not calendar days.

A. Schedule is based on calendar days.

Q 5: Section L.8 indicates that letters of commitment (LOC) are need for key personnel only, whereas Section L.7 (d) (i) bullet 3 indicates that LOCs are need for "any additional expatriate technical advisor positions proposed". Please clarify.

A. Letters of Commitment are required for key personnel, as well as any long-term expatriate advisors/personnel proposed. It is possible that Georgian employees may be designated as key personnel.

Q 6: Will a representative of the GOG be included on the evaluation review panel?

A. Yes.

Q 7: If the decision is made to move forward with Phase II, how will the award be made -- will there be a subsequent RFP, or will the Phase I contract be amended?

A. There will be no subsequent RFP. Should the contractor fulfill the Phase I requirements, as in the Statement of Work for the activity and if funding is available, the Phase I contract will be amended to authorize implementation of Phase II.

Q 8: To what extent will advocacy by industry associations or interest groups receive priority under either Phase I or Phase II? Should the SAVE activity look mainly to collaboration with other USAID activities for this input to the policy reform process?

A. Advocacy from associations or interest groups will receive priority based on how such associations or groups support the approved strategy and work plan developed by the contractor. Should the Phase I plan identify an area for activity focus, which is not currently represented by an association or other interest group, the contractor may elect to help develop such a group. The contractor should cooperate with other USAID activities, whenever possible.

Q 9: What is the expected proportion of the budget for Phase II (or plug number) expected to be allocated to a grants program, as opposed to TA and training? Is it anticipated that grants will be awarded only to nonprofit organizations, or also to private companies (e.g., for investment in value-added production)? Is a maximum grant size anticipated?

A. Grants for training could be projected separately than grants to groups or associations for other purposes. Grants, whether to not-for-profit or for-profit organizations, will be made in accordance with grant criteria and grants administration procedures developed by the contractor in a form acceptable to USAID/Caucasus. Grants levels will be determined by the contractor in accordance with Phase II needs. It is not anticipated that the total for all grants will exceed \$2,000,000.

Q 10: Will any credit be made available under Phase II, or will the SAVE activity be expected to draw upon the resources available under other USAID projects or provided by other donors?

A. Expected to draw from other resources. There are existing USAID and other donor credit programs. These and other existing programs should be used. Additionally, USAID/Caucasus is developing new financial infrastructure such as collateral registry and a leasing law, which are expected to facilitate the development of a leasing industry. The respondent is at liberty to propose development of innovative credit products provided that such products would be provided through existing providers and would be available at market rates and in accordance with best practices.

Q 11: How will the "special areas" and "special products" referred to in the RFP be identified (i.e., under what kind of process)? What proportion of the Phase II budget will be allocated to these sub-activities?

A. Such special products and areas would be identified as part of the Phase One. They will be considered for development if they represent real commercial opportunities. It is anticipated that this activity would remain a relatively small portion of the budget.

Q 12: Environmental monitoring (Page C-14): Discusses an "environmental checklist" and further states "the required environmental review and screening process will be undertaken by the implementers prior to

starting the activity." However, the "environmental checklist" was not attached to the RFP. Please advise how to obtain a copy of this document.

A. The Environmental Checklist is attached to this Amendment.

Q 13: The Policy, Regulations and Industry Standards section of the RFP calls for analyzing food safety, quality and other industry standards, and assessing the role of Georgia's organizations to "meet the requirements of domestic and external markets". It also refers to the "requirements for meeting WTO standards". We have checked the WTO's web site, and have found no reference to "WTO standards". The only reference we were able to find for agriculture deals with import licensing procedures and related trade barriers:

Legal Instruments embodying the Results of the Uruguay Round - 27

Vol. 27: Agreements: Agriculture, Application of Sanitary and Phytosanitary Measures, Textiles and Clothing, Technical Barriers to Trade, Trade-related

Investment Measures, Implementation of Article VI (GATT 1994), Implementation of Article VII (GATT 1994), Preshipment Inspection, Rules of Origin, Import Licensing Procedures, Subsidies and Countervailing Measures, Safeguards

Please provide further information on the details of the WTO standards and where we might find this document.

A. Contractor's comments are correct. Substitute the words WTO Protocols and Agreements for WTO Standards. While Georgia has acceded to the WTO, regulatory and operating level implementation guidance has yet to be developed. In so far as the lack of development of such guidance negatively impacts the development of targeted products and markets, provision should be made for development of applicable regulations and implementation guidance.

Q 14: Does the Mission plan for a portion of the funds available during Phase II to be used for a credit component and, if so, what portion of the funds should be dedicated to this activity?

A. It is not anticipated that any of the Phase Two funds will be used for capitalizing credit programs. It is anticipated that the project will work with existing USAID and other agency credit projects and not start parallel activities. Please see similar question above.

Q 15: The Mission recently issued a draft RFP for a Public Education Program (PEP). Assuming that program is implemented, how will the public education activities to be carried out under the Training, Workshops and Public Education component of the SAVE project relate to the PEP?

A. The Mission's draft RFP for public education was issued for comment only; there's a possibility it will not be issued. Nonetheless, your question asks about the complementarity between a possible public education program and the public education element of SAVE. Many of USAID's programs have separate public education programs to further the objectives of individual programs. The PEP would be broader in scope by informing the public of the benefits of reforms, would have a focus on selected regions, and would fill gaps or needs of individual projects or activities. Here's a hypothetical example: the public education component of USAID's land privatization program could be used to prepare brochures on the benefits of privatized land and to organize press events for titling ceremonies, among other things. The mission-wide PEP could be used to fill a gap by organizing a talk show with government officials and NGOs on land

ownership rights. The PEP is demand-driven and requests for using PEP services could come from other USAID implementors.

Q 16: In Section L.9.i of the RFP on page L-5 it is requested that the contractor submit "Completed and signed Contractor Employee Biographical Sheet for each personnel proposed." Does this include short-term personnel?

A. Completed and signed Contractor Employee Biographical Sheets are required for short-term personnel identified by the contractor prior to submission of proposals.

Q 17: Since the wine industry is likely to be a focus product, please comment on how the corresponding activities will not violate the USAID policy prohibiting the use of government funds to promote luxury items including alcohol. This issue is also referenced on pg. 35 of the Georgia Agricultural/Agribusiness Sector Assessment.

A. It is not a forgone conclusion that the wine or alcohol industry will be a focus of either Phase One or Phase Two activity. Should it be determined that such products are to be developed, emphasis should be on interventions, which do not violate USAID restrictions, such as association development. Should the contractor determine that an intervention is necessary, which may violate USAID standards, a request for waiver should be prepared and approval received prior to the implementation of any such activity.

Q 18: Is a Performance Monitoring Plan and activity required for Phase 1?

A. A Performance Monitoring Plan is not required for Phase I. Offerors must submit an illustrative Performance Monitoring Plan for Phase II with the proposals.

Q 19: In Section C.B.2, Policy, Regulatory and Industry Standards, please clarify if (e) is intended to be accomplished during Phase 1. Item (e) which requires drafting laws and regulations, would appear to be more implementation than planning and researching constraints. Will the successful offeror actually be responsible for drafting new laws and regulations during Phase 1?

A. Item (e) must be completed during Phase I. The item does not require the contractor to draft laws and regulations it requires the contractor to provide the Georgian government with a legal assistance in drafting laws and regulations.

Q 20: Section H.7.(d). If it is a contractor's personnel policy throughout the company to provide annual increases at the same time each year, this does not work within the annual salary increases guidelines noted in this section, and would mean setting up a different personnel situation for this project alone. Can annual salary increases based on the contractor's current personnel system, which takes into consideration the fact that individuals may not have worked for an entire year, be negotiated at the time of contract award?

A. It is possible that salary increases based on the offeror's policy be negotiated at the time of contract award. USAID will have to review the offeror's relevant personnel policy.

Q 21: Section H.7.(g) makes no mention of a 6-day workweek for short-term non-local staff working on an overseas assignment. Will a 6-day workweek be authorized for such individuals?

A. Yes, on a case by case basis.

Q 22: Section L.9.(h) requests copies of the offeror's travel policies in effect at the time the offer is submitted. Is this referring to our selection policy and procurement procedures for travel services, or are you interested in our policies relating to such items as per diem, air carriers, and so on?

A. We are interested in policies relating to personnel travel which would include per diem, travel itinerary determinations, air carriers, travel approvals, etc.

### **List of Organizations Requesting Document**

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# ENVIRONMENTAL ASSESSMENT CHECKLIST

The purposes of this *Environmental Assessment Checklist (EA Checklist)* are to determine whether the proposed action (scope of work) encompasses the potential for environmental pollution or damage and, if so, to determine the scope and extent of additional environmental evaluation, mitigation, and monitoring necessary to fulfill federal U.S. environmental requirements. The *EA Checklist* is intended to be used in conjunction with a brief Project Description prepared by the Project Engineer.

**ENVIRONMENTAL CONSEQUENCES:** Check appropriate column as Yes (Y), Maybe (M), No (N) or Beneficial (B). Briefly explain Y, M and B checks in next Section, "Explanations". A "Y" response does not necessarily indicate a significant effect, but rather an issue that requires focused consideration,

## Y, M, N or B

### 1. Earth Resources

- a. grading, trenching, or excavation > 1.0 hectare \_\_\_\_\_
- b. geologic hazards (faults, landslides, liquefaction, unengineered fill, etc.) \_\_\_\_\_
- c. contaminated soils or ground water on the site \_\_\_\_\_
- d. offsite overburden/waste disposal or borrow pits required > 1.0 ton \_\_\_\_\_
- e. loss of high-quality farmlands > 10 hectares \_\_\_\_\_

### 2. Air Quality

- a. substantial increase in onsite air pollutant emissions (construction/operation) \_\_\_\_\_
- b. violation of applicable air pollutant emissions or ambient concentration standards \_\_\_\_\_
- c. substantial increase in vehicle traffic during construction or operation \_\_\_\_\_
- d. Demolition or blasting for construction \_\_\_\_\_
- e. substantial increase in odor during construction or operation \_\_\_\_\_
- f. substantial alteration of microclimate \_\_\_\_\_

### 3. Water Resources and Quality

- a. river, stream or lake onsite or within 30 meters of construction \_\_\_\_\_
- b. withdrawals from or discharges to surface or ground water \_\_\_\_\_
- c. excavation or placing of fill, removing gravel from, a river, stream or lake \_\_\_\_\_
- d. onsite storage of liquid fuels or hazardous materials in bulk quantities \_\_\_\_\_

### 4. Cultural Resources

- a. prehistoric, historic, or paleontological resources within 30 meters of construction \_\_\_\_\_
- b. site/facility with unique cultural or ethnic values \_\_\_\_\_

### 5. Biological Resources

- a. vegetation removal or construction in wetlands or riparian areas > 1.0 hectare \_\_\_\_\_
- b. use of pesticides/rodenticides, insecticides, or herbicides > 1.0 hectare \_\_\_\_\_
- c. Construction in or adjacent to a designated wildlife refuge \_\_\_\_\_

### 6. Planning and Land Use

- a. potential conflict with adjacent land uses \_\_\_\_\_
- b. non-compliance with existing codes, plans, permits or design factors \_\_\_\_\_
- c. construction in national park or designated recreational area \_\_\_\_\_
- d. create substantially annoying source of light or glare \_\_\_\_\_
- e. relocation of >10 individuals for +6 months \_\_\_\_\_
- f. interrupt necessary utility or municipal service > 10 individuals for +6 months \_\_\_\_\_
- g. substantial loss of inefficient use of mineral or non-renewable resources \_\_\_\_\_
- h. increase existing noise levels >5 decibels for +3 months \_\_\_\_\_

### 7. Traffic, Transportation and Circulation

- a. increase vehicle trips >20% or cause substantial congestion \_\_\_\_\_
- b. design features cause or contribute to safety hazards \_\_\_\_\_
- c. inadequate access or emergency access for anticipated volume of people or traffic \_\_\_\_\_

### 8. Hazards

- a. substantially increase risk of fire, explosion, or hazardous chemical release \_\_\_\_\_
- b. bulk quantities of hazardous materials or fuels stored on site +3 months \_\_\_\_\_
- c. create or substantially contribute to human health hazard \_\_\_\_\_

**EXPLANATION:** explain Y, M and B responses

## **RECOMMENDED MITIGATION MEASURES**

### **RECOMMENDED ACTION (Check Appropriate Action):**

- (a) The project has no potential for substantial adverse environmental effects. No further environmental review is required.
- (b) The project has little potential for substantial adverse environmental effects, however the recommended mitigation measures (listed above) will be incorporated in the SOW. No further environmental review is required.
- (c) The project has substantial but mitigatable adverse environmental effects and required measures to mitigate environmental effects (listed above) will be included in the SOW.
- (d) The project has potentially substantial adverse environmental effects, but requires more analysis to form a conclusion. An Environmental Assessment will be prepared.
- (e) The project has potentially substantial adverse environmental effects, and revisions to the project design or location or the development of new alternatives is required.
- (f) The project has substantial and unmitigable adverse environmental effects. Mitigation is insufficient to eliminate these effects and alternatives are not feasible. The project is not recommended for funding.

### **APPROVAL**

Project Director /Contractor-Grantee \_\_\_\_\_ Date \_\_\_\_\_  
 Mission Environmental Officer-USAID/ Tbilisi \_\_\_\_\_ Date \_\_\_\_\_  
 Regional Environmental Officer (REO)/WA \_\_\_\_\_ Date \_\_\_\_\_